

# EXHIBIT 41

*In re Prime Capital Ventures, LLC, 23-11302 (Bankr. N.D.N.Y.)*

Partial transcript of audio recording from hearing held on December 28, 2023 at 2:00 p.m. The formal audio recording is available on the Bankruptcy case docket at Doc. 28. The transcribed portion of the hearing below is taken starting around the 1:40 mark of the recording and ending around 48:18. Any errors in transcription are inadvertent and reference is made to the audio recording on the Bankruptcy Court's website for the formal audio.

<b>Female</b>	<b>02 _____ LLC. This is a continuation of the earlier hearing. Parties please _____.</b>
<b>Male</b>	Thank you Your Honor at the court's guidance and request we contacted the principals of the company and Kris I believe is on the telephone with us right now.
<b>Kris Roglieri</b>	I did announce myself.
<b>Male</b>	And we explained that information is needed and we gave background about the earlier part of the hearing and he's here today to be able to respond to the Interim Trustee, the US Trustee and the Court
<b>Court</b>	Mr. Roglieri
<b>Kris Roglieri</b>	Yes Your Honor
<b>Court</b>	Can you address your counsel's snippets of earlier can you respond to the Trustee's concern?
<b>Kris Roglieri</b>	I will gladly do so if the Trustee wants to - just so we're clear on what the concerns the Trustee has and I will gladly respond to them.
<b>Court</b>	Mr. Dribusch
<b>Dribusch</b>	Thank you Your Honor. Mr. Roglieri thanks for getting on the line so promptly for us today to answer some of these questions and I think that in the email communications I had with Mr. Traison and Ms. McMann earlier and what I raised earlier and in the forefront of my mind to start with and then from there other questions. The monies that are allegedly Barone Capital \$50 million + how do we verify those funds are there? I communicated with RBC today and they verified on the \$7 million but they say there is no account that has the name Prime Ventures Capital on it in any way, shape or form at RBC. So we're trying to track down this \$50 million and how to verify its existence.
<b>Roglieri</b>	So its sure so that's a fund account and it's in Berone Capital's name. Prime is a subscriber to that fund. I believe we have given you the contact information to that fund. Did you try reaching out to them at all?
<b>Dribusch</b>	I have verified with them to secure the account and they received an acknowledgement of that. But when you say that Prime Ventures Capital is a subscriber to that account can you explain what that means.
<b>Roglieri</b>	We're a subscriber to the hedge fund.
<b>Dribusch</b>	What does a subscriber to the hedge fund mean? Does it mean that all of the \$50 million is _____ to Prime Ventures Capital? Does it mean there are other parties that are part of that fund? What does that mean?
<b>Roglieri</b>	It means that both funds - so the funds that are in question right are they are at Berone Capital and we are a subscriber to the hedge fund.

<b>Dribusch</b>	Does that mean that Prime Capital Ventures owns the funds? Does it belong to Prime Venture Capitals?
<b>Roglieri</b>	We're a subscriber to the fund.
<b>Dribusch</b>	I need you to explain to me what because I don't have the knowledge that you have Mr. Roglieri so you need to explain what a subscriber to the fund what that means. What does a subscriber mean?
<b>Roglieri</b>	A subscriber would mean that if you were to invest into I believe a subscriber would mean in my terms and the way I understand it is when you invest into a hedge fund you are a subscriber to that fund. To that hedge fund.
<b>Dribusch</b>	So could you provide clarity to me Mr. Roglieri how would you access those funds if you wanted to access those funds. I'm sorry I didn't mean to speak over you.
<b>Roglieri</b>	I'm sorry.
<b>Dribusch</b>	Could you explain how Prime Capital Ventures, LLC would access those funds if they wanted to access those funds.
<b>Roglieri</b>	When you say access those funds what do you mean by that?
<b>Dribusch</b>	Say I wanted to take we have a borrower and they finalized their loan documents with respect to Prime and it needs to be funded for \$500,000 would that \$500,000 - I'm just giving you an example approximately - would that come from this fund?
<b>Roglieri</b>	That would come from the hedge fund correct. That wouldn't come from those monies that are over there that are being reported on the statements _____
<b>Dribusch</b>	So what you are saying if Prime Capital Ventures, LLC had on its books closings in the next week. Let's just take that as an example of \$50 million could contact Berone Capital and they would release \$50 million to fund those closings?
<b>Roglieri</b>	So Berone Capital is the one that is providing us with credit lines to fund transactions. That's correct.
<b>Dribusch</b>	And how much of a credit line does Prime Capital Ventures, LLC have with Berone?
<b>Roglieri</b>	It depends are you asking me what's the outstanding credit lines we have now?
<b>Dribusch</b>	Correct.
<b>Roglieri</b>	I could not answer that at this time to be accurate. I could certainly send that over to you though.
<b>Dribusch</b>	Do you have an approximation?
<b>Roglieri</b>	I don't know the exact amount on hand.
<b>Dribusch</b>	So mechanically if Prime Capital Ventures, LLC wanted to access the funds that were held at Berone Capital mechanically how would Prime do that?
<b>Roglieri</b>	We would put a notice into Berone Capital to retrieve those funds back.
<b>Dribusch</b>	And does Berone Capital then submit those funds to Prime Capital or does it provide it to a title company or something like that related to the closing?
<b>Roglieri</b>	Well no I think we're confusing the two terms. When you say the fund are you talking about the ICA funds that are held?
<b>Dribusch</b>	No. Not the ICA funds. The funds that are held at Berone Capital. That's a good question Mr. Roglieri let me ask you that first. Are any of those funds that are in Berone Capital ICA funds?

<b>Roglieri</b>	What funds just so I understand what the term funds what are you referring to as funds? Are you talking about
<b>Dribusch</b>	What I'm referring to is under your loan documents you have something that is referred to as ICA funds that are provided by these various borrowers the 20% to be offset against future interest payments and my question is those monies that are provided by those borrowers who are entering into loan transactions with Prime Capital Ventures and Prime Capital Ventures receives those funds are those funds then deposited into Berone Capital? Is that where they go?
<b>Roglieri</b>	The ICA funds?
<b>Dribusch</b>	Correct.
<b>Roglieri</b>	That is correct. So those funds are over there and in a simple term Prime's account is under Berone and those funds are levered right in order to essentially award Prime a credit line to fund transactions.
<b>Dribusch</b>	So Prime's credit line would exceed \$50 million that is allegedly held as funds in the hedge fund Berone.
<b>Roglieri</b>	No because we get a multiple on that. Depending on the deal structure we get a multiple of those funds if that makes sense. That's how the credit line is formed. So for argument's sake if you put \$10 in there and let's say we get a four multiple then we'd get a credit line of \$40.
<b>Dribusch</b>	Okay. So when we look at this number that is provided under Prime Capital Ventures from Berone Capital is that the credit line that \$50 million or is that actual monies that were put into Berone Capital from Prime Capital Ventures.
<b>Roglieri</b>	Monies that were put into Berone Capital from Prime.
<b>Dribusch</b>	Okay. Is there any end period with respect to this hedge fund? In other words is it just an open ended arrangement?
<b>Roglieri</b>	I'm sorry what was your question?
<b>Dribusch</b>	Is there an end to this hedge fund you know accessing the capital or is it a closed or open hedge fund? I mean is it closed so that you can access the money whenever you want or open so you can access it whenever you want. Is there a time of year that you can access it or is it just entirely it sits there as collateral. I suppose what you're saying is collateral for you to borrow multiples of that for your business or for the business of Prime Capital Ventures? Is that accurate?
<b>Roglieri</b>	That is correct. That is correct.
<b>Dribusch</b>	So that as I understand it acts as a collateral fund which secures the ability for Prime Capital Ventures, LLC to borrow a multiple of that \$50 million to fund transactions with the various parties. Would that be accurate?
<b>Roglieri</b>	That is correct. That is correct.
<b>Dribusch</b>	So for example there was and I don't know how familiar you are with the granular details of the business but there was a closing let's say last week or a tranche involved with respect to a closing last week those funds would be then in essence borrowed by Prime through this hedge fund to fund that tranche.
<b>Roglieri</b>	That is correct.
<b>Dribusch</b>	Okay. Then again the and if you could find out because I think you have indicated that you don't know the answer to this question whether the debtor has the ability to pull out any of those funds or do you know whether or not at this juncture today the funds are fully collateralizing outstanding lines of credit with respect to Prime Capital Ventures. In other words the multiple is above the \$50

	million such that that \$50 million is basically collateralizing whatever is outstanding or there is more available onto that line of credit that you're referring to.
<b>Roglieri</b>	So just so I have can you just restate the question one more time.
<b>Dribusch</b>	Yes I apologize if I wasn't clear on that. As I understand it Prime Capital Ventures can borrow a multiple of the amount that it has invested as a subscriber in this fund Berone fund and currently I'm just using for the sake of argument and rounding \$50 million against which Prime as I understand Capital Ventures can borrow a multiple of that and my question is out of the \$50 million that is being subscribed to in the Berone Capital Fund is it all collateralizing lines of credit at this point or is there open availability on the Berone Capital funds for the Prime Capital Ventures to access more credit for transactions.
<b>Roglieri</b>	Yeah so we separate lines for each client if that makes sense and when they take so that money is locked as soon as they take their first draw down if that makes sense. If a client does not close for a multitude of reasons which can happen then those initial funds are not collateralized.
<b>Dribusch</b>	Okay. So as of today do you have a ball park figure as to how much is available on the line of credit with Berone relative to the \$50 million?
<b>Roglieri</b>	I don't because they are all individual accounts.
<b>Dribusch</b>	Okay. Let me ask you this
<b>Roglieri</b>	I can get that.
<b>Dribusch</b>	Okay _____ that information because obviously a lot of creditors have interest relative to that. But let's do a hypothetical so I can understand it better Mr. Roglieri. If we ceased operating today and Prime Capital Ventures did not operate today would Prime Capital Ventures to your knowledge have the ability to access any of that \$50 million or would Berone Capital be able to set off that \$50 million against what's owed on the line of credit?
<b>Roglieri</b>	It depends on so again each of them are individual, some of them are uncollateralized and some aren't because some are in active tranches if that makes sense.
<b>Dribusch</b>	So this data that you are speaking to about whether some are collateralized and some are uncollateralized that data is readily accessible by Prime Capital Ventures?
<b>Roglieri</b>	Yes we can get that data for you.
<b>Dribusch</b>	Okay and that's the type of data that we would need to know so that each particular creditor would be able to look at that or I would be able to look at that or someone would be able to look at that and see which line of credit is collateralized for tranches and which ones are not at this point right.
<b>Roglieri</b>	That's correct. That's correct.
<b>Dribusch</b>	Then from there you could determine what would be available as I understand it to further lend.
<b>Roglieri</b>	That is correct.
<b>Dribusch</b>	Okay. Other than the structuring and I assume that basically the primary source of funding for these transactions - let me ask it - is the primary source of funding for these transactions then the Barone Capital hedge fund?
<b>Roglieri</b>	That's correct.

<b>Dribusch</b>	Okay. Then other than there is this RBC account that I verified today had about \$7.4 million in it, again I'm doing an approximation, against which you had about \$4,850,000 line of credit. Is that like an operating you know account for the business or does that serve to fund transactions as well?
<b>Roglieri</b>	That primarily serves as, it's just another account that we have. So you know when we are asked to disclose what accounts we have
<b>Dribusch</b>	Yeah. Is there a particular purpose related to that account that you have that account for or is it just an account there that can be used for any number of reasons?
<b>Roglieri</b>	It can be used for any number of purposes. It's also because you know we have it's also to open up a relationship as well.
<b>Dribusch</b>	So I think the main creditors might have a question about this. If a creditor has made an ICA payment to Prime Capital Ventures, LLC as part of this process of obtaining financing line of credit financing what happens to that ICA payment? Can you walk us through the mechanical you know how it's taken in and what is done with it, how it's account for and from the perspective of Prime Capital Ventures?
<b>Roglieri</b>	Correct. So we log it when it comes in we log it on our books and essentially we add it to our fund account so we can start that process of leveraging it.
<b>Dribusch</b>	Okay so when you refer to fund accounts that would be the Berone Capital account?
<b>Roglieri</b>	Correct. Just to keep in mind those what we call an ICA fund that actually works as I'm going to tell you the three functions of it so everybody here in the court knows but essentially _____ normal lender but number one it serves as prepaid interest up front number two it access additional collateral for the loan you know should the loan be in default and remedy and number three it asks as a leverage tool in order to you know with the hedge fund in order to gain the line for proceeds to fund the actual transaction. This is made aware to all clients from the point of contact with anyone of our business development officers, to the point of when we close.
<b>Dribusch</b>	Alright so it acts in part as the multiplier for further additional lending.
<b>Roglieri</b>	Correct and that's not new information. That's disclosed to every borrower that we engage with.
<b>Dribusch</b>	Okay on the mechanics of it when that gets put into the fund then is there some kind of confirmation made back to the perspective borrower that hey this is where the funds are this is what we've done they are there or some documentation that would verify that or confirm that?
<b>Roglieri</b>	No. It's confirmation that we received the wire but they are explained that process and it's in accordance with the verbiage in our loan documents.
<b>Dribusch</b>	Alright. Now once that transaction has been funded by Prime Capital Ventures let's take an example where one has been funded. At that point in time how does Prime Capital Ventures deal with or how does it account for the ICA payment at that point? Does it consider it earned on its _____ records and fully accessible or does it keep it there to address these other points, the three things that you talked about.
<b>Roglieri</b>	No it's considered earned. And if you will it would I guess the best way to explain it in laymen's terms it's almost like a retainer but it's interest on the collected up front which most banks do in the normal course anyway.

<b>Dribusch</b>	Okay. Again because I'm ignorant of the loan documentation I haven't delved into it that deeply yet. If just by way of example. If a borrower didn't draw fully against the line or you know prepaid the line such that the ICA interest was still I guess refundable how would that work would it be a deduction against their prepayment or does it get refunded?
<b>Roglieri</b>	Correct. The answer to that is yes. It would be credited back to them minus any fees or interest that's due.
<b>Dribusch</b>	Now under a _____ where the borrower before the funding you know the closing and initial funding and line of credit is drawn upon for whatever reason the transaction doesn't get consummated or closed what happens to those ICA funds?
<b>Roglieri</b>	They have to send in a termination notice to us.
<b>Dribusch</b>	Then _____ termination notice what occurs.
<b>Roglieri</b>	There is a process in which we notify the hedge fund and those funds get "unwound."
<b>Dribusch</b>	Alright and then the termination notice period is the period that the hedge fund requires in order to unwind that so that they become available?
<b>Roglieri</b>	Correct.
<b>Dribusch</b>	Okay. Not that you may not know but there are certain creditors who apparently indicate that they have filed this termination notice and have not received their funds back. Is there any particular reason why that might occur?
<b>Roglieri</b>	There could be several reasons. You know often times there are we've been in situations where the client you know essentially borrows funds from an investor and they don't tell the investor and the investor finds out. That is a dispute between the client and the investor then sometimes we find ourselves in a situation where you know we have clients saying remit funds back to us or an investor saying remit back to us and we have to get into litigation because we are not going to remit funds back to two people who are claiming they are owed those funds. So there have been certain instances where that scenario has taken place.
<b>Dribusch</b>	And _____ might know the answer to this question Berone Capital is able to lend Prime Capital Ventures a multiple of what's subscribed by Prime Capital Ventures which again I'm using this instance \$50 million. Do you know do you have any idea the source of funding for Berone Capital to be able to basically lend a multiplier.
<b>Roglieri</b>	That's proprietary to the hedge fund.
<b>Dribusch</b>	Okay.
<b>Roglieri</b>	If that makes sense.
<b>Dribusch</b>	Yep.
<b>Roglieri</b>	Just so you know each transaction is different depending on the collateral in the transaction, depending on the industry so where one transaction may get a four multiplier and another may get a three multiplier or five multiplier it depends.
<b>Dribusch</b>	So this Barone Capital has multiple subscribers similar to Prime Capital Ventures?
<b>Roglieri</b>	I assume so. I can't speak on their behalf but I would assume so yes.
<b>Dribusch</b>	Okay. One of the things that I requested early on _____ is basically getting _____ financial statements showing the profit and loss, the statement cash

	flow, the balance sheet and I haven't been provided that. Is there can you provide some clarification as to why I can't get that information?
<b>Roglieri</b>	So in terms of that information has been requested and during the time period I think everyone has to understand that this came down so fast and my staff was out of the office for two weeks they return at the end of next week and the various parties that initiate that in terms of accounting were out as well. So that's been requested and we expect to get that shortly to bring that over to you. It's just a factor of the time - I'm sorry?
<b>Dribusch</b>	No go ahead
<b>Roglieri</b>	It's just a factor of the time of the year and for us to even understand why this is even happening and if it was happening in a just way in terms of _____ based on bankruptcy code law.
<b>Dribusch</b>	Does the firm have an accountant?
<b>Roglieri</b>	We outsource that.
<b>Dribusch</b>	I'm sorry who is the accountant?
<b>Roglieri</b>	Sardone and Sardone CPA.
<b>Dribusch</b>	Sardone and Sardone CPA thank you. So Mr. Roglieri to _____ Trustee I need to inspect the location which I understand has multiple businesses in it and be able to go through some of the data that's there to verify and confirm some of the data. How can we coordinate doing that? Sooner rather than later because I can't wait for another week I guess is what I'm suggesting to you it has to be something sooner.
<b>Roglieri</b>	Sure. I guess it depends on what information you're looking for. The way our office is set up we do have four other companies and there is other, it's not just Prime Capital Ventures whole office there's four other entities in there that we own. When I say we I just mean myself. So you can gladly have entry to the office but I guess it's just a question of what information you are looking for so we can help you properly.
<b>Dribusch</b>	Mostly the financial information there and I have to look to see what information you have there. Let me ask you this you have four companies in there and looking at the web page you have a number of employees but I would assume given the nature of the business that most of those employees are employees of Prime Lending as opposed to Prime Capital Ventures.
<b>Roglieri</b>	No it depends. We have employees for a training company that we have. We have employees for a marketing company that we have.
<b>Dribusch</b>	How many employees do you have for Prime Capital Ventures?
<b>Roglieri</b>	We also have remote employees as well.
<b>Dribusch</b>	Okay and how many do you have for Prime Capital Ventures?
<b>Roglieri</b>	I would say an average around 20.
<b>Dribusch</b>	20 employees. And they are all on payroll or are they compensated any other way?
<b>Roglieri</b>	Some are on payroll and some are act as more of independent contractor.
<b>Dribusch</b>	Okay and is the firm up to date on its payroll taxes and other tax obligations?
<b>Roglieri</b>	Yes.
<b>Dribusch</b>	Alright. Obviously there are a number of creditors. There are the petitioning creditors. In the ordinary course vendors that Prime Capital Ventures may have,

	suppliers of either technology for software or otherwise. Does the company have any of those type of creditors that it's behind on?
<b>Roglieri</b>	No we are up to date on everything on all of our creditors in terms of the context that you said but we even have you know we have some on the call and some may even be on the call today that can attest to that.
<b>Dribusch</b>	I'm going to just circle back to my last question which is when will I be able to access the building with someone to go over what's there as far as what's available to look at, the technology that's being implemented to do that and accessing that. For the bank statements for example and Barone Capital statements and things of that nature that we would want to take a look at and confirm?
<b>Roglieri</b>	Well it really depends again it depends on what you're looking for. You are free to go there but some things may not be there and some things may be there so this really depends on
<b>Dribusch</b>	I understand that and I understand somethings may be there are not but I need somebody there with some knowledge that can walk me through what is there and what I can access, what's not there and get me some insight on how to access that information.
<b>Roglieri</b>	So would you mind sending a list over of the information you are looking and then we can gladly let you in and tell you what's there and whatever you are looking for certain items that are not there.
<b>Dribusch</b>	Well let me ask you this Mr. Roglieri if I said can I go there on Monday. Not Monday because it's a holiday right - Tuesday would be the next business day after this long weekend and I was going to be there Tuesday morning could you have someone there Tuesday morning to walk me through the premises and start providing some guidance on these issues?
<b>Roglieri</b>	Sure. The only thing I would ask is that you have a list of things
<b>Dribusch</b>	Absolutely. My question is if you could have someone there with knowledge that could direct me and would have access to pull up the date if necessary from the computer. I would assume a lot of this might be located on the Cloud or so forth and you would have the ability to pull some of that data.
<b>Roglieri</b>	Correct depending on what you are looking for.
<b>Dribusch</b>	Understood. Then circling back around to these financial statements what is your timeline? Do you think that you would have a set of financial statements to look at.
<b>Roglieri</b>	Well it was requested
<b>Dribusch</b>	It was requested last Friday December 22 <sup>nd</sup> .
<b>Roglieri</b>	I'm sorry?
<b>Dribusch</b>	It was requested on December 22 <sup>nd</sup> .
<b>Roglieri</b>	Yeah I mean that information didn't get over to me until the week thereafter because we are deciphering what it is we are actually complying with so you know we hope to get it it could be as early as tomorrow or it could be as early as next week the beginning of next week.
<b>Dribusch</b>	Alright. Let me ask you this Mr. Roglieri if the business were to continue to operate and it has these loans in the pipeline and we have I think maybe one or two creditors that are the phone with us today who are very interested in funding their loans if the funding is there from Berone and it's not otherwise an issue

	with respect to the administration. Do you have the ability to come up with any type of budget over the next 30 days so people can understand what transactions might be closing and what it cost for these employees and the operational expenses and what revenues are generated, what the expenses are and that the debtor is not falling deeper in the hole.
<b>Roglieri</b>	Yes so to answer your question I would love to do that but the reality is ever since this involuntary bankruptcy was granted it's affected our business in ways that you can't even imagine to the point where we have had discussions with the hedge fund that they are not comfortable continuing on us borrowing any money until this matter is either dismissed or this matter is resolved in any such way. So and I've been going back and forth, obviously because you don't make money until these transactions close, to proceed with these closings but given the circumstance and how quickly this was bestowed upon us they are of the mindset to kind of sit and wait and see how this transpires before you know they put another dollar into Prime's account.
<b>Dribusch</b>	Who would be your contact at Berone Capital?
<b>Roglieri</b>	We have a couple different contacts at Barone Capital either a gentleman by the name of Fabian or Jeremiah.
<b>Dribusch</b>	Alright. Those are the two principals at Berone Capital?
<b>Roglieri</b>	No one's a principal the other is not.
<b>Dribusch</b>	Just out of curiosity to the extent that you know this do you know does Berone Capital have more than those employees there? Are there additional ones?
<b>Roglieri</b>	I can't comment on that I don't know.
<b>Dribusch</b>	At this juncture I think I might turn it over to Ms. Penpraze from the office of the United States Trustee's Office to see if she might have additional questions.
<b>Court</b>	Ms. Penpraze.
<b>Penpraze</b>	Thank you Your Honor. Good afternoon Lisa Penpraze office of the US Trustee. Regarding bank accounts where does Prime Capital have its operating accounts?
<b>Roglieri</b>	I think we have given you that information. We have it at Key Bank and then RBC which you already have that account and Farmer's Bank.
<b>Penpraze</b>	Do you have a separate tax account?
<b>Roglieri</b>	What do you mean by separate tax account?
<b>Penpraze</b>	The Trustee asked you if you were up to date on employment tax and typically businesses with employees will have a separate tax account so that the withholdings would be put into that account pending payment to the taxing authority.
<b>Roglieri</b>	No we don't have a separate tax account.
<b>Penpraze</b>	And you said that the company has employees that are working remotely. How many employees out of the 20ish work remotely?
<b>Roglieri</b>	I don't know the exact number off hand but I would say probably about half of that work remotely.
<b>Penpraze</b>	Do you have access to Prime Capital books and records remotely?
<b>Roglieri</b>	Not from my computer I don't know.
<b>Penpraze</b>	Who would have that sir?
<b>Roglieri</b>	Our CPA firm.

<b>Penpraze</b>	So the CPA is the only one with remote access to the books and records of the company?
<b>Roglieri</b>	They completely handle our account 100%.
<b>Penpraze</b>	So you can't go in and access the records of your company remotely?
<b>Roglieri</b>	I can request the records.
<b>Penpraze</b>	Okay. And the CPA did you say it was Cardona with a C?
<b>Roglieri</b>	Sardone. S-a-r-d-o-n-e
<b>Penpraze</b>	And where are they located?
<b>Roglieri</b>	In Rochester, New York.
<b>Penpraze</b>	So other than Sardone no employees of Prime has access to the books and records remotely?
<b>Roglieri</b>	That is correct.
<b>Penpraze</b>	Switching gears. After Prime funds a loan for a client how do the payments come back? Are those one time payments? Is it like a demand note? Does that come directly to Prime or does it go somewhere else?
<b>Roglieri</b>	When you say the payment what do you mean when you say the payment? Can you clarify that?
<b>Penpraze</b>	So Prime is loaning money correct?
<b>Roglieri</b>	Correct.
<b>Penpraze</b>	So then at some point Prime must expect to get that money back right?
<b>Roglieri</b>	That is correct.
<b>Penpraze</b>	Okay how does that process work?
<b>Roglieri</b>	Are you talking about like when we get a payoff?
<b>Penpraze</b>	Yes.
<b>Roglieri</b>	Well we get paid off frequently. Well not frequently but in times when we get paid off there is a payoff letter that we would send to the debtor and if the property gets refinanced or they get a permanent loan based on the construction loan then we would get paid back that way with a payoff letter.
<b>Penpraze</b>	What account does that go into? When Prime gets that money back what account does it go into?
<b>Roglieri</b>	It depends but mainly our operating accounts.
<b>Penpraze</b>	Which bank?
<b>Roglieri</b>	Key Bank.
<b>Penpraze</b>	And do you bank at a local Key Bank branch in Albany or Saratoga area?
<b>Roglieri</b>	Well we have a branch right below us in our building.
<b>Penpraze</b>	So in downtown Albany.
<b>Roglieri</b>	Correct.
<b>Penpraze</b>	When was the last time you were in touch with Fabian or Jeremiah?
<b>Roglieri</b>	When I was in touch with them? What do you mean by that.
<b>Penpraze</b>	Sir it's a simple question. Contact. When was the last time you had contact with Fabian or Jeremiah whether that be via email, text, call, video, in person.
<b>Roglieri</b>	By phone within the last two weeks with respect to this matter.
<b>Penpraze</b>	Exactly when sir?
<b>Roglieri</b>	I don't remember the day but at some point last week.
<b>Penpraze</b>	Did you ask - I'm sorry go ahead.
<b>Roglieri</b>	I believe it was Friday.
<b>Penpraze</b>	What was the nature of that conversation?

<b>Roglieri</b>	With respect to what was happening. This proceeding.
<b>Penpraze</b>	Was there any discussion about the \$50 million that they are holding on behalf of Prime Capital?
<b>Roglieri</b>	No there wouldn't be a need to have a discussion with regards to that. It was just in regards as to what was happening to us.
<b>Penpraze</b>	So you feel assured that they \$50 million that is on deposit with Berone is still there as we speak today?
<b>Roglieri</b>	Correct
<b>Penpraze</b>	Do you have access to your Berone account that you can pull that up and get the balance or print out a statement?
<b>Roglieri</b>	No we don't have access to that account.
<b>Penpraze</b>	How do you make deposits into it?
<b>Roglieri</b>	We wire directly to them. Remember we are just a subscriber of the hedge fund.
<b>Penpraze</b>	What confirmation do you have that the \$50 million is still sitting there with Berone?
<b>Roglieri</b>	Because of the statements that we have.
<b>Penpraze</b>	Are those regular monthly statements? How frequently do you receive those?
<b>Roglieri</b>	It's normally on a quarterly basis. Or at our request.
<b>Penpraze</b>	So the statement that was produced to the Trustee when was that requested?
<b>Roglieri</b>	The most recent one? Hello.
<b>Penpraze</b>	The statement that you produced to the Trustee when was that requested?
<b>Roglieri</b>	After the hearing that we had I believe it was the first or second hearing because we weren't on the first hearing.
<b>Penpraze</b>	So on Tuesday? The 26 <sup>th</sup> .
<b>Roglieri</b>	I'd have to look on the exact time when it was requested. I don't know the exact day but I'll look back.
<b>Penpraze</b>	Do you have other pressing matters that are taking your attention away from this particular matter and this question about the \$50 million?
<b>Roglieri</b>	Do I have other matters that are taking my attention I mean I'm running you've got to imagine I'm dealing with you know I do run other companies and particularly for this matter we've been dealing with the whole backlash and storm that this matter has created for us so it's a huge matter I'm dealing with outside of trying to comply with the requests that are putting upon us.
<b>Penpraze</b>	Do you have access to these other companies remotely?
<b>Roglieri</b>	I'm sorry you broke up can you say that again?
<b>Penpraze</b>	You said there are four other companies operating out of 66 Broadway. Pearl?
<b>Roglieri</b>	Right.
<b>Penpraze</b>	Do you have access to those companies remotely.
<b>Roglieri</b>	When you say remotely to what when you say do we have access to them what do you mean? Access to what?
<b>Penpraze</b>	How are you conducting business with the other companies? The non-debtors. Do you physically go into the office to conduct business or do you conduct it from somewhere other than the office?
<b>Roglieri</b>	It depends on the various nature of the companies. I have employees there that conduct business on behalf of those companies so I would say both.
<b>Penpraze</b>	I thought you said the employees were currently off.

<b>Roglieri</b>	Correct. For this time in the season. That's correct. You didn't specify a timeframe I guessed you were asking in general. I operate a company either remote or in office. I think that was your question.
<b>Penpraze</b>	So the other companies you can access remotely but Prime Capital you cannot access remotely is that what you are telling the Court?
<b>Roglieri</b>	Well when you say access remotely what do you mean by that.
<b>Penpraze</b>	I have no further questions Your Honor thank you.
<b>Dribusch</b>	Your Honor I just have a follow up question for Mr. Roglieri. Mr. Roglieri do you have the Subscription Agreement for Berone Capital?
<b>Roglieri</b>	I'm sorry who is this talking?
<b>Dribusch</b>	This is Chris Dribusch speaking I apologize. The Subscription Agreement with Berone Capital do you have a copy of that?
<b>Roglieri</b>	Yes.
<b>Dribusch</b>	Is that in the office or is it something that is digital that you could email?
<b>Roglieri</b>	That is something that is digital.
<b>Dribusch</b>	Do you think it is possible that you could email that Subscription Agreement to me? I'd like to understand what it means to be a subscriber relative to this account.
<b>Roglieri</b>	Sure.
<b>Dribusch</b>	Anything else that basically you digitally have with respect to the funding of this \$50 million into Berone Capital so I understand how it all works. You know how the multipliers work and the mechanics of it all. To the effect that you have those digital documents can you provide those? If you don't have digital documents and they are hard copies would those be at the office that I could pick up on Monday? Not Monday, Tuesday.
<b>Roglieri</b>	What copies? I'm sorry request that again.
<b>Dribusch</b>	Certainly. With respect to Berone Capital I'd really like to understand when you talk about subscriber what that means relative to the \$50 million and for me to better understand it I need to look at the actual agreement and any other disclosures and prospectuses and other documentation concerning the subscriber arrangement. Then any documents that the mechanics of how that works how the multiplier is calculated, how you access it things of that nature. Basically I need to understand everything about this Berone Capital and how it works. So all the documentation concerning that or all the information concerning the mechanics, the subscription, the prospectus, the disclosures. Everything basically I want from Berone Capital so that I understand the relationship between Prime Capital Ventures and Berone and how this all works with the \$50 million and funding and stuff like that because that is a pivotal factor here as to the nature of the business because that is apparently the funding source here as well as the investment from Prime Capital Ventures. So if you can digitally get over to me what you can ASAP that's the timeline then whatever we have to get on hard copy we will try to pick up on Wednesday, Tuesday.
<b>Roglieri</b>	Okay.